

Senate File 580 - Enrolled

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SENATE FILE 580

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AN ACT  
RELATING TO A TAX AMNESTY PROGRAM, MAKING APPROPRIATIONS, AND  
INCLUDING AN EFFECTIVE DATE PROVISION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. TITLE. This Act may be cited as the "Iowa Tax  
Amnesty Act of 2007".

Sec. 2. DEFINITIONS. When used in this Act, unless the  
context otherwise requires:

- 1. "Department" means the department of revenue.
- 2. "Director" means the director of revenue.
- 3. "Taxpayer" means a person, a corporation, or other  
entity subject to any tax imposed by a law of this state,  
payable to this state, and administered by the department  
pursuant to chapters 422, 423, 423A, 423B, 423C, 423D, 423E,  
424, 450, 450A, 450B, 451, 452A, 453A, and 453B.

Sec. 3. TAX AMNESTY PROGRAM.

1. The director shall establish a tax amnesty program.  
The tax amnesty program shall apply to taxpayers that have tax  
liabilities delinquent as of December 31, 2006, including tax  
due on returns not filed, tax liabilities owed to the  
department as of December 31, 2006, or tax liabilities not  
reported nor established but delinquent as of December 31,  
2006.

2. The tax amnesty program shall be for a period from  
September 4, 2007, through October 31, 2007, for any tax  
liabilities described in subsection 1.

3. The tax amnesty program shall provide that upon written  
application by a taxpayer and payment in full by the taxpayer  
of amounts due from the taxpayer to this state for a tax  
covered by the tax amnesty program plus interest equal to  
fifty percent of the interest that is due, the department  
shall not seek to collect any other interest or penalties  
which may be applicable. The department shall not seek civil  
or criminal prosecution for a taxpayer for the period of time  
for which amnesty has been granted to the taxpayer. Failure  
to pay all tax liabilities due the state and delinquent as of  
December 31, 2006, shall invalidate the amnesty. Amnesty  
shall be granted for only the periods specified in the  
application and only if all amnesty conditions are satisfied  
by the taxpayer.

4. A taxpayer who participates in the tax amnesty program  
shall relinquish all administrative and judicial rights to  
challenge the imposition of the tax and its amount, except for  
adjustments made pursuant to a federal audit completed after  
the effective date of this Act.

5. Amnesty shall not be granted to a taxpayer who is the  
subject of an active criminal investigation or who is a party  
to a criminal proceeding that is pending in a district court,  
the court of appeals, or the supreme court of this state if  
such investigation or proceeding involves nonpayment or fraud  
in relation to any state tax imposed by a law of this state.

6. The director shall prepare and make available tax  
amnesty application forms which contain requirements for  
approval of an application. The director may deny any  
application that is inconsistent with this Act.

7. In promoting and marketing the tax amnesty program, the  
director and the Iowa lottery shall collaborate in the use of  
television, print, and radio advertising.

Sec. 4. RULEMAKING. The provisions of this Act are exempt  
from the rulemaking process of chapter 17A, the Iowa  
administrative procedure Act.

Sec. 5. APPROPRIATION.

1. There is appropriated from the general fund of the  
state to the department of revenue for the fiscal period  
beginning July 1, 2006, and ending June 30, 2008, the sum of  
\$710,000, or so much thereof as necessary, to be used to  
administer this Act.

2. There is appropriated to the department of revenue for  
the fiscal year beginning July 1, 2007, and ending June 30,

3 4 2008, the sum of \$150,000 for the purpose of increasing the  
3 5 auditing and enforcement activities of the department.  
3 6 3. If new full-time equivalent positions are hired by the  
3 7 department as a result of the appropriation made in subsection  
3 8 1 or 2, the department shall eliminate such full-time  
3 9 equivalent positions by June 30, 2008, and these full-time  
3 10 equivalent positions are not authorized for employment by the  
3 11 department after that date.

3 12 Sec. 6. REPORTING. The department shall report the gross  
3 13 revenue collected under each tax pursuant to the tax amnesty  
3 14 program as soon as practicable after the close of the amnesty  
3 15 period but prior to March 1, 2008.

3 16 Sec. 7. LEGISLATIVE INTENT. It is the intent of the  
3 17 general assembly in enacting the Iowa tax amnesty Act of 2007  
3 18 that the general assembly and the state shall not conduct  
3 19 another tax amnesty program prior to January 1, 2025.

3 20 Sec. 8. EFFECTIVE DATE. This Act, being deemed of  
3 21 immediate importance, takes effect upon enactment.

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JOHN P. KIBBIE  
President of the Senate

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PATRICK J. MURPHY  
Speaker of the House

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3 33 I hereby certify that this bill originated in the Senate and  
3 34 is known as Senate File 580, Eighty-second General Assembly.

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MICHAEL E. MARSHALL  
Secretary of the Senate

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Approved \_\_\_\_\_, 2007

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CHESTER J. CULVER  
Governor